

## WHAT IS CLAIMED IS:

1. A method for inserting targeted advertisements into a media delivery stream during broadcast media programming, comprising the steps of:

5 (a) storing a plurality of advertisements in a media delivery device in a database, wherein the stored advertisements are each of a type that is determined to appeal to one or more users of the media delivery device;

(b) receiving a signal in the media delivery device to insert a stored advertisement into the media delivery stream during broadcast media programming;

10 (c) inserting an advertisement stored in the database into the media delivery stream.

2. The method for inserting targeted advertisements into a media delivery stream according to claim 1, wherein the advertisements are television commercials.

15 3. The method for inserting targeted advertisements into a media delivery stream according to claim 2, wherein the media delivery device is a set top box for receiving broadcast signals for a cable or satellite television network system.

20 4. The method for inserting targeted advertisements into a media delivery stream according to claim 1, wherein the database includes a table for classifying the stored advertisements according to a plurality of categories, which includes a classification according to the type of advertisement that is stored.

5. The method for inserting targeted advertisements into a media delivery stream according to claim 4, wherein the signal includes at least one classification for one or more of the categories as provided in the table for selecting a commercial stored in the database for insertion into the media delivery stream.

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6. The method for inserting targeted advertisements into a media delivery stream according to claim 5, further comprising the steps of searching the table in the database for at least one advertisement having a classification in at least one category that is provided in the signal.

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7. The method for inserting targeted advertisements into a media delivery stream according to claim 6, wherein the at least one advertisement is a plurality of advertisements, further comprising the step of selecting an advertisement from the at least one advertisement having a classification provided in the signal by weighting the relative importance of each category in the table.

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8. The method for inserting targeted advertisements into a media delivery stream according to claim 3, wherein the plurality of stored advertisements are received by the media delivery device as encoded data files through a telecommunications link to an external database of advertisements.

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9. The method for inserting targeted advertisements into a media delivery stream according to claim 1, further comprising the steps of:

transmitting a request to an external network through a telecommunications link to receive advertisements for storage in the media delivery device;

transmitting signals between the media delivery device and the external network indicating the one or more types of advertisements that appeal to users of the media delivery device;

receiving encoded data files of advertisements through the telecommunications link for storage in the media delivery device; and

classifying the stored advertisements according to a plurality of categories, which includes a classification according to the type of advertisement that is stored.

10. The method for inserting targeted advertisements into a media delivery stream according to claim 4, further comprising the steps of:

receiving download signals from the broadcast media stream in the media delivery device to download advertisements for storage in the media delivery device, wherein, for each advertisement, the signals include a classification for one or more of the categories as provided in the table for selecting a commercial stored in the database for insertion into the media delivery stream;

downloading the advertisements having a classification for one or more of the categories as provided in the table that matches a pre-stored classification in a list of classifications indicating the one or more types of advertisements that appeal to users of the media delivery device.

11. The method for inserting targeted advertisements into a media delivery stream according to claim 10, wherein categories in the table include one or more of: sponsor name; type of product advertised; relative pricing of product advertised; and location of sponsor.

5 12. A media delivery device for inserting targeted advertisements into a media delivery stream, comprising:

- (a) a decoder for decoding broadcast media programming into the media delivery device;
- (b) a commercials database for storing advertisements in the media delivery device;
- 10 (c) a commercial detector for detecting signals to insert a locally stored advertisement from the commercials database into the media stream; and
- (d) means for substituting an advertisement received through broadcast media programming with an advertisement stored in the commercials database.

15 13. The media delivery device for inserting targeted advertisements into a media delivery stream according to claim 12, wherein the media delivery device is a set top box for cable or satellite television programming.

20 14. The media delivery device for inserting targeted advertisements into a media delivery stream according to claim 12, further comprising means for inserting advertisements into the commercials database that are classified as a type that appeals to users of the media delivery device.

15. A method for inserting television commercials stored in a set top box connected to a television into a media programming stream, comprising the steps of:

(a) storing a plurality of television commercials advertising products or services for local business concerns in a database, wherein the advertised products are each of a type that has been determined to appeal to one or more users of the set top box;

(b) receiving a signal in the media programming stream from a broadcasting network to insert a television commercial for a local business concern during a segment of airtime allocated for local commercial advertising; and

(c) inserting a television commercial stored in the database into the media programming stream.

16. The method for inserting commercials stored in a set top box into a programming stream according to claim 15, wherein the step of inserting a television commercial further comprises the steps of:

interrupting a media programming stream received from a broadcasting network from the television;

retrieving a selected television commercial stored in the database;

displaying the selected television commercial through the set top box to the television;

and

resuming the media programming stream received from the broadcasting network to the television after completion of the selected television commercial.

17. The method for inserting commercials stored in a set top box into a programming stream according to claim 15, wherein the step of storing commercials in the database further comprises the steps of:

transmitting a request through a telecommunications link to an external server to receive television commercials for storage in the set top box;

transmitting signals between the set top box and the server to identify the set top box to the server; and

receiving encoded data files of television commercials through the telecommunications link for storage in the set top box.

18. The method for inserting commercials stored in a set top box into a programming stream according to claim 17, wherein the transmitted signals identify the relative location of a household in which the set top box is operating, relative to a local broadcasting area for a television station.

19. The method for inserting commercials stored in a set top box into a programming stream according to claim 17, wherein the transmitted signals identify the types of television commercials that are of interest to users of the set top box.

20. The method for inserting commercials stored in a set top box into a programming stream according to claim 15, further comprising the step of transmitting a record to a broadcasting network identifying the commercial inserted into the programming stream.

21. A system for inserting television commercials stored locally in a television set top box into a media programming stream, comprising:

- (a) a receiver for receiving broadcast media programming into the set top box;
- (b) a commercials database for storing advertisements in the media delivery device;
- 5 (c) a commercials detector for detecting audio tones in broadcast media programming

that indicate authorization for a local television station to insert a locally stored advertisement into the media stream; and

- (d) switching logic to interrupt a television connected to the set top box from the media programming stream and to temporarily decode a television commercial stored in the commercials database when a substitution signal is detected in the commercials detector.